

STAT

[]
FOR GEN WALTERS FROM []

STAT

Notified Col Larsen re contents your message. In
meantime Director prodded White House about draft bill
and WH ^{is notified} ~~has notified~~ OMB it has no problem with it
and instruct^{ing} ~~ed~~ OMB to have DOD expedite it to the
Congress. Col Larsen advised of this and he is following
up there with Legislative Counsel. Larsen informs me
your retirement orders are ready to go, however he is
holding off til Monday noon on their publication.

STAT

[] meeting you at National tomorrow morning. []

STAT

STAT

[] LA Div, also meeting you to debrief you. Director is
out of town for weekend on West Coast. I can be reached at
home this evening or tomorrow morning. [] will have
your mail.

STAT

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Coordinated with OLC []

FORM 3020b
7-71 MFG 2/78TABLE SEC DISSEM BY AS PER LA 8 (EO) TOTAL COPIES 9 - 1 RUN BY 3

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DDO2 - CS/RFC/LA 3

STAFF PRECEDENCE	
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- EYES ONLY -

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PAGE 01

25X1

TOR:242325Z JUN 76

S E C R E T 242315Z JUN 76 STAFF

CITE [] 25X1

TO: IMMEDIATE DIRECTOR.

RYBAT [] 25X1

REF: DIRECTOR 874879 *

FOR [] DDCI OFFICE FROM GENERAL WALTERS 25X1

1. I WILL RETIRE ON 30 JUNE AND WILL ATTEND PARADE
ON 29TH.

2. I FEEL SURE ONCE I HAVE RETIRED THAT PRESSURE
FOR LEGISLATION WILL BE OFF AND THAT WILL BE END OF MATTER.
IT IS A VERY CONSIDERABLE FINANCIAL LOSS FOR ME.

3. I WILL DECIDE LATER ON WHITE HOUSE PRESENTATION.
E2 IMPDET.

* Advised General Walters that if he elects to remain on active duty for a month after his replacement has been sworn in, the Army would lose its three star general slot and General Walters would hold the rank of Major General. As an alternative, General Walters could retire as a two star general and await Senate legislation advancing him to three star retirement status. Requested General Walters confirmation that he desires a 29 June retirement parade.

OUTGOING MESSAGE

Sanitized Copy Approved for Release 2010/09/08 : CIA-RDP80R01731R002000080001-5

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SECRET

MESSAGE HANDLING INDICATOR

STAFF

DATE-TIME GROUP

242048Z

CITE

DIRECTOR

MESSAGE REFERENCE NUMBER

874879

CONF: *CLAS*

INFO: FILE

CS/RF, P/DCI, DDO 2

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EYES ONLY

TO: IMMEDIATE

25X1

NIAC

25X1

RYBAT

25X1

*CABLE SEC SUGGESTS DISSEM TO: *P/OLC*
IF DESIRED SEND FORM 101 TO CABLE SEC *0/8*

FOR GENERAL WALTERS FROM

25X1

1. COL. LARSEN, GEN OFFICER BR, INFORMS ME THAT IF ARMY RETAINS YOU FOR ADDITIONAL MONTH, YOU ARE GOING TO HAVE TO BE REVERTED TO TWO-STAR RANK BECAUSE ARMY LOSES THE THREE-STAR SLOT ONCE YOUR SUCCESSOR IS SWORN IN. AT KNOCH CONFIRMATION HEARING YESTERDAY 12 MEMBERS OF COMMITTEE IN ATTENDANCE VOTED YES. IT IS EXPECTED HE WILL HAVE FULL SENATE CONFIRMATION BY FRIDAY, 25 JUNE AND SWEARING-IN BY DIRECTOR BUSH IS SCHEDULED FOR 30 JUNE.4

2. DURING THIS PAPER REVERSION TO MAJ GEN YOU WOULD BE PAID ACTIVE DUTY PAY YOU NOW DRAW MINUS THE \$41 PERSONAL MONTHLY ALLOWANCE FOR LTG'S. LINDIS ORDER WOULD BE CUT PROMULGATING REVERSION. COL. LARSEN MUST REQUEST APPROVAL FOR THIS COURSE OF ACTION FROM CHIEF OF STAFF. 4

3. OTHER ALTERNATIVE IS TO RETIRE IN TWO-STAR RANK AND AWAIT SENATE LEGISLATION ADVANCING YOU TO THREE-STAR RETIREE. COL. LARSEN

DATE:

ORIG:

UNIT:

EXT:

RELEASING OFFICER

COORDINATING OFFICERS

AUTHENTICATING OFFICER

CLASSIFICATION

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E 2 IMPDET

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PAGE 2 OF 2 PAGES

CLASSIFICATION

SECRET

MESSAGE HANDLING INDICATOR

DATE-TIME GROUP

CITE

MESSAGE REFERENCE NUMBER

STAFF

DIRECTOR

CONF:

INFO: FILE

874879

☐ INDEX DISSEM BY:
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NEEDS TO KNOW WHICH YOU ELECT. HE POINTS OUT THE UNLIKELIHOOD THAT LEGISLATION WOULD PASS BOTH HOUSES EVEN BY END OF JULY DUE TO LONG RECESS FROM 2 THROUGH 18 JULY. DRAFT BILL WAS SENT FROM OMB TO WHITE HOUSE WHERE IT NOW STANDS AND DIRECTOR WILL ENQUIRE ABOUT ITS STATUS THERE THIS AFTERNOON.Y

4. IF YOU ELECT EXTENSION, COL. LARSEN ALSO NEEDS CONFIRMATION THAT YOU WANT TO GO AHEAD WITH SCHEDULED RETIREMENT PARADE 29 JUNE.Y

5. FYI, NSM PRESENTATION CANNOT BE MADE BEFORE END OF JUNE. IT WILL HAVE TO BE DONE LATER IN JULY. ANY PREFERRED DATE YOU WISH ME TO PASS ON TO WH? E2 IMPDET.H

DATE:

24 JUNE 1976

ORIG:

0/DDCI

UNIT:

CAB

25X1

25X1

OLC-- [] (IN DRAFT)
 O/PERS--F.W.N.JANNEY (IN DRAFT)
 O/DCI--BEN EVANS (IN DRAFT)

25X1

C/LAD

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MEMORANDUM FOR: Mr. Bush *VP*

Fred Janney would like your reaction to the attached.

P.S. The legislation which would retire General Walters with three stars has left the White House and been forwarded to the Senate per subsequent information from Colonel Larson.

*CARY IS CHECKING
WITH SENATE ARMED SERVICES
TO BE SURE COMM. HAS RECEIVED IT.*

*AS OF 3:00 pm
WED, they
had not*
BCEvans

*RYI: RETIREMENT AS LT. GEN. MEANS
\$300 per month more in his pay.*

Date 23 June 1976

FORM 5-75 101 USE PREVIOUS EDITIONS

25X1

23 June 1976

Mr. Janney:

I spoke with Colonel Larson, of the General Officers Branch, Department of the Army this AM, and advised him that legally we could not keep General Walters in office once Mr. Knoche is sworn in as DDCI as the DDCI position is a statutory position and authorized for only one incumbent.

I then went on to ask whether there was any casual status they could place General Walters in until such time as the Congress enacted on his advancement to Lieutenant General on the retired list. He said, technically, no; that General Walters' right to be a Lieutenant General was predicated entirely on his being DDCI; and once there was another DDCI, there was no longer a Lieutenant General slot.

Alternative I: Notwithstanding the fact that it is generally planned for General Walters to retire on 30 June, Colonel Larson will go to the Chief of Staff, or I assume one of his high level subordinates, to see if they can keep him on an active duty status in some way. It would have to be, though, a paper reversion to Major General. He could still wear three stars, but would receive the pay probably of a Major General.

Alternative II: The General retires as scheduled and could still be advanced to Lieutenant General even though retired if Congress passed the bill. This alternative is fraught with danger, Colonel Larson says, and points to Danny Graham as a case in point. Once you are retired, the impetus to advance you is pretty much lost.

Colonel Larson went on to candidly tell me that the Department of the Army is very concerned, what with Watergate, etc., and does not think it is a sure thing at all about Walters being advanced. He recommended, and I must assume he has talked to some of his superiors, that Mr. Bush personally intervene with the White House, etc., to push this legislation. Otherwise, there is concern that it won't get through.

STAT

EA-D/Pers

NALcy: WHITE HOUSE HAS SENT TO HILL -

23 June/0900

Dave:

I called Col Larsen in Army General Officer Branch re legislation to retire General Walters as 3-star officer. He said he had just been informed that the package went from OMB to the White House which is extraordinary. The normal course for these things is for them to go directly to the Congress from OMB. Col Larsen feels there must have been some question re Watergate by someone at OMB and therefore they are clearing this with the White House. Larsen thinks it would be a good idea for Mr. Bush to contact OMB and ask where it went to at the White House and then prod it along from there.

As Col Larsen pointed out, if there had been an implication of wrongdoing on General Walters' part re Watergate, he should have been removed at that time. Had he been a Regular Army Officer rather than a Reserve Officer, the Senate would still have had to pass on his retirement in that grade but it would have been a more automatic process (from DA to the Congress) eliminating the various agencies this package is going through now. It got a slow start due to bureaucratic bungling in the first place and has gone from DA to ASD (M&RA) to DOD GC to Sec Def to OMB and now to White House.

Questions: What was OMB's problems with it that they had to send it to White House?

Where is it at White House? Can it be expedited from there to Congress?

DIRECTOR OF CENTRAL INTELLIGENCE

Normal - OMB to Congress

Tim Lynn

re: Dick

Walters, ^{retire}

what to ask -

DoD/army sent legislation to
OMB which will permit Gen
Walters to retire as Lt. Gen.

ask Lynn to get it out of
OMB to send ans. Staff. |

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PAGE 01-01

IN 957270

TORI211907Z JUN 76

S E C R E T 211829Z JUN 76 STAFF

25X1

CITE

TO: IMMEDIATE DIRECTOR.

RYBAT

REF: DIRECTOR 872647 *

FOR FROM GENERAL WALTERS

REQUEST YOU ASK FT. MYER TO GO AHEAD WITH
MOVING MY HOUSEHOLD GOODS AS PLANNED REGARDLESS
OF MY DATE OF RETIREMENT, PLEASE SO INFORM MRS.
MILES AND FORT MYER TRANSPORTATION.

25X1

IS HEREBY AUTHORIZED TO SIGN THE NECESSARY
FORMS ON MY BEHALF. PLEASE SHOW THIS TELEGRAM
TO THOSE CONCERNED. SIGNED: VERNON A. WALTERS,
LT. GEN. US ARMY; E2 IMPDET

* Detailed the specifics needed to go ahead with General Walters' move from
Fort Myer.

S E C R E T

MESSAGE HANDLING INDICATOR STAFF 211642Z DIRECTOR MESSAGE REFERENCE NUMBER 872647
 CONF: 0/DCI INFO: FILE 001, 0002, CS/REF, C/LAB 0 INDEX DISSEM BY: 6
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TO: IMMEDIATE 25X1
 RYBAT 25X1
 FOR GENERAL WALTERS FROM 25X1

RECEIVED CALL FROM FORT MYER TRANSPORTATION (MRS. MILES)
 ADVISING THAT IT IS POSSIBLE TO GO AHEAD WITH MOVES PRIOR TO
 ISSUANCE OF ORDERS; HOWEVER, YOUR SIGNATURE IS REQUIRED. YOU
 CAN, ACCORDING TO MRS. MILES, CABLE YOUR APPROVAL FOR ME TO
 SIGN THE FORMS FOR YOU IF YOU DO WANT TO GO AHEAD WITH THE MOVES
 AS SCHEDULED. SHE NEEDS TO GET PAPERS IN IMMEDIATELY, OTHERWISE
 TIMES SCHEDULED WITH MOVERS HERE AND IN FLORIDA CANNOT BE HELD.
 THIS MEANS YOU CAN GO AHEAD WITH MOVES AT GOVERNMENT EXPENSE.
 YOUR RETIREMENT DATE WILL BE ENTERED ON PAPER WORK AND CERTIFIED
 BY ARMY FOR MOVING PURPOSES. CABLE AUTHORITY YOU SEND WILL HAVE
 TO BE SHOWN TO FORT MYER TRANSPORTATION OFFICE, THEREFORE SHOULD
 BE SENT UNCLASSIFIED. E2 IMPDET.H

DATE: 21 JUNE 76
 25X1 ORIG:
 25X1 UNIT: 0/DDCI
 EXT: 9537

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